



The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

DAILY NEWS DIGEST BY BFSI BOARD

21 May 2025



ECONOMY

Made in India for the world: India aims for defence exports to rise to Rs 30,000 crore in FY26: India's defence exports to around 100 countries have soared 34 times in the past 11 years, from Rs 686 crore in FY14 to Rs 23,622 crore in FY25. Experts say a slew of policy measures including simplification of industrial licensing procedure, removal of parts and components from license regime, along with easing rules for exports of equipment have contributed to India transforming from a net importer of defence equipment to an exporter. Analysts say India's defence exports should rise at a much higher pace than currently, as the country's equipment are very well integrated with latest technology. In FY25, India's defence exports surged to a record high of Rs 23,622 crore, up 12 percent from Rs 21,083 crore in FY24. A senior official told Moneycontrol that India is eyeing exports to cross Rs 30,000 crore in the current fiscal year FY26..

(Moneycontrol)

US tariff unpredictability has negative credit consequences for debt issuers: Moody's: Moody's Ratings on Tuesday said the uncertainties around US tariffs have negative credit consequences for debt issuers across emerging markets, including companies, governments and banks. "The on-again, off-again US tariffs and difficulty predicting US trade policy have negative credit consequences for debt issuers across emerging markets," Moody's said. Besides, geopolitics is an additional stress for emerging markets, including the flare-up of tensions between India and Pakistan. Exporters are most directly exposed to US tariff changes, but most debt issuers face indirect effects, Moody's said, adding tariffs will reach a much bigger and varied group of debt issuers indirectly through slowing economic growth and, for many, commodity price declines, currency depreciation and investor risk aversion.

(Economic Times)

India's core sector growth plunges to eight-month low of 0.5% in April: Output growth in India's eight core infrastructure industries plummeted to an eight-month low of 0.5 per cent in April from an upwardly revised 4.6 per cent growth recorded in March, with three sectors contracting



The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

sharply, including refinery products and fertilisers, while electricity and natural gas clocked very feeble upticks. Base effects also pulled down last month's growth print, as the Index of Core Industries (ICI) had risen a sharp 6.9 per cent in April 2024, which was the joint highest in the past thirteen months. The eight core sectors constitute 40.27 per cent of the Index of Industrial Production (IIP), which had recorded a mild recovery to rise 3 per cent in March.

(Business Standard)

Consumer Price Index numbers for agricultural and rural labourers – April, 2025: The All-India Consumer Price Index for Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL) (Base: 1986-87=100) increased by 1 point each for the month of April 2025, to stand at 1307 and 1320 points, respectively. The year-on-year inflation rates based on CPI-AL and CPI-RL for April 2025 were recorded at 3.48% and 3.53%, respectively, compared to 7.03% and 6.96% in April 2024. The corresponding figures for March 2025 stood at 3.73% for CPI-AL and 3.86% for CPI-RL.

(PiB)

BANKING & FINANCE



Credit growth may slow in FY26 as lenders focus more on secured loans: Fitch Ratings anticipates slow loan growth for banks in fiscal years 25 and 26. This follows two years of strong growth. Banks are expected to prioritize secured retail loans. Housing and vehicle loans will likely increase. Unsecured loans may decrease due to regulations. Declining interest rates could affect bank profitability. Reserve Bank of India's liquidity measures might offer some relief.

(Economic Times)

Each bank may soon get single national calling number: To combat fraud and enhance customer experience, Indian banks are advocating for individual national calling numbers within the '1600xx' series, enabling incoming calls. Banks have approached the government and RBI for approval, seeking clarity on usage and exemptions for debt servicing calls. This move aims to streamline communication and improve security for banking customers.

(Economic Times)

Punjab & Sind Bank, IoB chiefs likely to get extended tenures soon: The Union government is likely to extend tenures of managing directors (MDs) and chief executive officers (CEOs) of Punjab & Sind Bank and Indian Overseas Bank (IOB), said a senior government official on the condition of anonymity. While the tenure of Punjab & Sind Bank MD & CEO Swarup Kumar Saha ends on June 2, IOB's Ajay Kumar Srivastava service concludes on December 31. "Granting extension of tenures to



The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003
Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

Punjab & Sind Bank & IOB MDs is at final stage. Both MDs have two years of service left. The final notification will come soon,” the source said.

(Business Standard)

SBI board panel nods to overseas fundraise of up to \$3 billion in FY26: Country’s largest lender State Bank of India’s board of directors on Tuesday approved the bank’s plans to raise nearly \$3 billion through long-term instruments from the international market in 2025-2026 (FY26). The funds will be raised in single and multiple tranches through a public offer or private placement of senior unsecured notes in US dollar or any other major foreign currency, SBI said in a BSE filing. Its stock closed 1.2 per cent lower at ₹785.35 per share.

(Business Standard)

Razorpay, MeitY Startup Hub partner to boost India's deep-tech startups: Financial technology giant Razorpay has partnered with the MeitY Startup Hub (MSH), an initiative under the Ministry of Electronics and Information Technology. Through this collaboration, the two entities aim to accelerate the growth of deep-tech and emerging technology startups by offering access to Razorpay’s fintech infrastructure, customised mentorship, product credits and an innovation-centric ecosystem. The initiative is designed to bolster India’s startup landscape by supporting early-stage ventures working on transformative technologies. The partnership is targeted at startups building technologies in areas such as AI, blockchain, robotics, IoT and beyond. It will provide them with tools, networks and institutional backing to solve for India and scale globally.

(Business Standard)

INDUSTRY OUTLOOK



Bajaj Group get CCI's nod to acquire Allianz's 26 pc stake in insurance JVs for Rs 24,180 cr: The Competition Commission of India (CCI) on Tuesday said it has approved Bajaj Group's plan to acquire Allianz SE's 26% stake in its life and general insurance ventures for a total consideration of Rs 24,180 crore, the largest deal in the country's insurance sector. The acquisition will raise Bajaj Group's ownership in Bajaj Allianz General Insurance Company and Bajaj Allianz Life Insurance Company to 100% from 74%, Bajaj Finserv had said in March. Upon the end of their 24-year partnership, Bajaj Group and Allianz intend to pursue independent growth in the country's expanding insurance market. As per the proposal, Bajaj Finserv, Bajaj Holdings & Investment and Jamnalal Sons would buy the 26% stake in each of the two insurance entities in phases from Allianz.

(Economic Times)



The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

BSE moves towards factor investing, launches 4 new indices from BSE 500 universe:

Asia Index, a wholly owned subsidiary of BSE, has announced the launch of four new BSE Factor Indices derived from the BSE 500 Index universe—Value, Low Volatility, Quality, and Momentum—along with the introduction of quarterly reconstitution for these indices. “The launch of four new factor indices expands suite of smart beta offerings. These indices are designed to provide market participants with targeted exposure to key investment factors such as value, low volatility, momentum, and quality using a transparent and rules-based approach. The introduction of a quarterly reconstitution schedule in our factor indices will enable factor signals to capture the most recent financial and stock price data.”

(Business Today)

Mukesh Ambani and Nita Ambani among top donors in TIME100 Philanthropy List

2025: Reliance Industries Limited Chairman and billionaire industrialist Mukesh Ambani and his wife Nita Ambani featured in the first-ever TIME100 Philanthropy List 2025. According to the TIME100 Philanthropy List 2025, both Mukesh and Nita Ambani continued to expand their philanthropic footprint, donating Rs 407 crore (approximately \$48 million) in 2024 through a wide range of social initiatives—placing them among India’s top donors of the year.

(Business Today)



REGULATION & DEVELOPMENT

Reforms stalled as GST Council meeting not held in five months: The GST Council has gone over five months without a meeting, in breach of Rule 6 of its Procedure and Conduct of Business Regulations, which prescribes quarterly meetings. The last meeting was on December 21, 2024, in Jaisalmer, meaning the next should have occurred by March 31, 2025. This marks the fourth time the gap between meetings has exceeded five months, with the longest being over eight months between October 2023 and June 2024, due to the Lok Sabha elections. This delay is concerning for various reform measures, including tax rate revisions, compliance simplification for taxpayers, and overall improvement of the tax ecosystem.

(Business Line)

KVIC celebrates ‘World Bee Day 2025’ under the banner ‘Sweet Revolution Utsav’:

The Khadi and Village Industries Commission (KVIC), celebrated World Bee Day 2025 at its Central Office in Vile Parle, Mumbai, under the banner ‘Sweet Revolution Utsav’. This year’s celebration was themed “Bee inspired by nature to nourish us all”, aligning with the Prime Minister Shri Narendra Modi’s vision of transforming the White Revolution into a Sweet Revolution. The KVIC Chairman highlighted



The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

the remarkable achievements under the Honey Mission. To date, KVIC has distributed over 2,29,409 bee boxes and bee colonies across the country, resulting in the production of approximately 20,000 metric tonnes of honey, generating an income of Rs. 325 crore for beekeepers. Shri Manoj Kumar also noted that in FY 2024-25, beekeepers associated with KVIC exported honey worth Rs. 25 crore.

(PiB)

Govt working on amendments to insolvency law: The government is working on amending the insolvency law, including the provision related to bidders requiring CCI approval for resolution plans involving combinations before they approach the Committee of Creditors, according to a senior official. The Insolvency and Bankruptcy Code (IBC) provides for a market-linked and time-bound resolution of stressed assets and under the framework, Committee of Creditors (CoC) is a key element. As part of further improving the insolvency ecosystem as well as reduce the resolution timelines, the corporate affairs ministry has been working on amending the IBC. The senior official on Tuesday said the ministry is working on amendments to the IBC and they are likely to be moved in the next Parliament session.

(Financial Express)

PMAY-Urban completion deadline extended till Dec 31: In a relief to urban homebuyers and state governments, the Centre has extended the deadline for completing houses under the Pradhan Mantri Awas Yojana-Urban (PMAY-U) to December 31. This is expected to give more time for pending housing projects, especially in states lagging behind schedule. The Ministry of Housing and Urban Affairs (MoHUA) confirmed the decision through a recent communication to states and union territories. According to the PMAY-U official portal (pmay-urban.gov.in), the mission aims to ensure “Housing for All” in urban areas by providing pucca houses to all eligible families.

(Business Standard)



The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016



FINANCIAL TERMINOLOGY

CAPACITY COST

- ❖ An expenditure or cost incurred by a company in order to expand its business operations. In other words, these are expenses incurred by an organization to increase its capacity to conduct business operations.
- ❖ The Capacity costs are fixed in nature. They remain constant even when the level of output varies. This part of a company's expenditure is intended to help expansion and increase activities, or for establishment of premises from where the business operations can be conducted. This expense remains fixed irrespective of the level of business activity.
- ❖ For any business, it is difficult to avoid costs like insurance, rent payments, property taxes, depreciation on equipment, etc. These are examples of capacity costs. These can be avoided or minimized only by shutting down the business or outsourcing the services.



The Institute of Cost Accountants of India (ICMAI)

(Statutory body under an Act of Parliament)

H.Q: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi – 110 003

Kolkata Office: CMA Bhawan, 12 Sudder Street, Kolkata – 700 016

RBI KEY RATES

Repo Rate: 6.00%

SDF: 5.75%

MSF & Bank Rate: 6.25%

CRR: 4.00%

SLR: 18.00%

Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 85.4582

INR / 1 GBP : 114.2656

INR / 1 EUR : 96.1980

INR /100 JPY: 59.1500

EQUITY MARKET

Sensex: 81186.44 (-872.98)

NIFTY: 24683.90 (-261.55)

Bnk NIFTY: 54877.35 (-543.35)

Courses conducted by BFSI Board

- ❖ Certificate Course on Concurrent Audit of Banks
- ❖ Certificate Course on Credit Management of Banks
- ❖ Certificate Course on Treasury and International Banking
- ❖ Certificate Course on Investment Management
- ❖ Certificate Course on General Insurance.
- ❖ Advance Certificate Course on FinTech

For details please visit
BFSIB portal of the ICMAI

Publications by BFSI Board

- ❖ Aide Memoire on Infrastructure Financing.
- ❖ Aide Memoire on lending to MSME Sector (including restructuring of MSME Credit).
- ❖ Guidance Note on the Internal Audit of General Insurance Companies.
- ❖ BFSI Chronicle (quarterly issue of BFSIB)
- ❖ Handbook on Stock & Book Debts Audit (Revised and Enlarged 2nd Edition)

TEAM BFSIB

Banking, Financial Services & Insurance Board

The Institute of Cost Accountants of India (ICMAI)

Disclaimer: Information published in the Daily News Digest are taken from publicly available sources and believed to be accurate. BFSI Board of ICMAI takes no responsibility for the accuracy and reliability of information published in the Daily News Digest. No part of this Daily News Digest may be reproduced, stored in a retrieval system, or transmitted in any form or by any means - electronic, mechanical, photocopying, recording, or otherwise without the permission of BFSIB of ICMAI. For Restricted Circulation only. A Compilation of News in this regard from Secondary Sources.